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COUNTY OF SANTA BARBARA

June 1, 2004

Ms. R.M. Burton, Director
Minerals Management Service
Attention: Policy and Management Improvement
1849 C Street, N.W., Mail Stop 4230
Washington, D.C. 20240-0001

RE: Advance Notice of Proposed Rulemaking for Open, Nondiscriminatory Access to Pipelines

Dear Ms. Burton:

On behalf of Santa Barbara County, I fully endorse rulemaking that retains and expands fair, equitable, and nondiscriminatory access to pipelines on the OCS, as well as platforms that serve as transport terminals. Such rules conform to Santa Barbara County's policies that require equitable and nondiscriminatory access to onshore segments of pipelines that carry offshore oil and gas as well as to onshore processing facilities. Application of these policies since the mid-1980s has substantially reduced unnecessary environmental impacts that would occur if every offshore operator installed their individual set of pipelines and separate processing facilities. Fair, equitable, and non-discriminatory access to pipelines and processing facilities has been instrumental in finding coastal-dependent industrial projects consistent with the California Coastal Act and Santa Barbara County Local Coastal Program requirements that all such projects are mitigated to the maximum extent feasible.

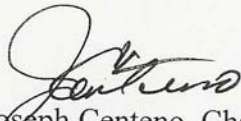
Open access regulations generally include provisions under which a pipeline carrier may deny access to products that are incompatible with those carried in the pipeline (e.g., natural gas and crude oil). While such provisions should also be included in the proposed rulemaking, we urge you to set a high threshold for such determinations. To point, any determination of product incompatibility must be valid and balanced against the significant environmental impacts of installing new pipelines. Additionally, product incompatibility should not be applied where oil and oil emulsions from different fields differ in quality (e.g., API gravity, sulfur content, etc.).

We also firmly believe that access should not be denied solely on a basis of limited pipeline capacity. In such cases, we urge you to reconcile limited capacity by either prorating access among shippers or delaying the commencement of some production.

Ms. R.M. Burton
June 1, 2004
Page 2

I thank you for your consideration. Please contact Mr. Doug Anthony of the County's Energy Division at (805) 568-2046 if you have any questions.

Sincerely,



Joseph Centeno, Chair

CC: Senator Dianne Feinstein
Senator Barbara Boxer
Representative Lois Capps
Peter Douglas, Executive Director, California Coastal Commission
Paul Thayer, Executive Director, California State Lands Commission